

## Message Text

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67

ACTION ARA-10

INFO OCT-01 AF-06 EUR-12 EA-07 NEA-10 ISO-00 IO-10 ERDA-05

AID-05 CEA-01 CIAE-00 CIEP-01 COME-00 DODE-00 EB-07

FPC-01 H-02 INR-07 INT-05 L-03 NSAE-00 NSC-05 OMB-01

PM-04 USIA-06 SAM-01 OES-03 SP-02 SS-15 STR-04

TRSE-00 FEA-01 PA-01 PRS-01 TAR-01 /138 W

----- 122858

R 161648Z SEP 75

FM AMEMBASSY CARACAS

TO SECSTATE WASHDC 157

INFO AMEMBASSY BEIRUT

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY LAGOS

AMEMBASSY LONDON

AMEMBASSY LIMA

AMEMBASSY PORT OF SPAIN

AMEMBASSY QUITO

AMEMBASSY TEHRAN

AMEMBASSY TRIPOLI

AMEMBASSY VIENNA

AMCONSUL DHARAN

AMEMBASSY BONN

AMEMBASSY TOKYO

LIMITED OFFICIAL USE CARACAS 9672

E.O. 11652: N/A

TAGS: ENRG, VE

SUBJECT: OPEC PRICE DECISION

REF CARACAS 9546

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1. EL NACIONAL ON SEP 13 FEATURED

PROMINANTLY ON ITS FRONT PAGE AN ARTICLE STATING THAT OPEC MEMBER COUNTRIES ARE FIRM IN THEIR DECISION TO ADJUST THE OIL PRICE UPWARD. THE ARTICLE INSISTED THAT THERE HAS BEEN NO CHANGE IN THIS POSITION, AND THAT THE DECISION IS BASED ON TECHNICAL STUDIES WHICH CLEARLY SUPPORT THE OPEC POSITION THAT A PRICE INCREASE IS NECESSARY DUE TO WORLD INFLATION. ACCORDING TO THE ARTICLE, INFLATION HAS HELD STEADY OR ACTUALLY INCREASED IN SOME AREAS IN SPITE OF "SIGNIFICANT PROGRESS MADE BY INDUSTRIAL COUNTRIES TO CONTROL THE SITUATION." FURTHERMORE, THE ARTICLE CONCLUDES, VENEZUELAN "MONETARY AUTHORITIES" RETURNING FROM THE RECENT IMF MEETING IN WASHINGTON REPORT THAT THE "THIRD WORLD" AGREES WITH OPEC THAT ECONOMIC DISEQUILIBRIUM (INFLATION) ORIGINATED WITH INDUSTRIALIZED COUNTRIES.

2. ON SEP 14, THE SAME NEWSPAPER PUBLISHED THE TEXT OF A TELEGRAM FROM MINES MINISTER HERNANDEZ TO OPEC SECRETARY GEN FEYIDE ON THE OCCASION OF OPEC'S FIFTEENTH ANNIVERSARY. HERNANDEZ EXPRESSED THE FIRM COOPERATION OF VENEZUELA IN STRENGTHENING OPEC UNITY, "PARTICULARLY IN VIEW OF THE VERY IMPORTANT ROLE THE ORGANIZATION WILL BE CALLED UPON TO FILL IN PROMOTION OF THE ESTABLISHMENT OF A NIEO."

3. COMMENT: THE SEP 13 ARTICLE WAS UNATTRIBUTED BUT WAS HEADED AS AN "OFFICIAL REPORT". WE HAVE NO DOUBT THAT IT CAME FROM THE MINISTRY OF MINES. THE "REPORT" UNDOUBTEDLY REFLECTS A GOV CONVICTION, THAT A PRICE INCREASE IS A FOREGONE CONCLUSION.  
SHLAUDEMAM

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DATA, PETROLEUM PRODUCTION, PRICES  
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**Copy:** SINGLE  
**Draft Date:** 16 SEP 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Handling Restrictions:** n/a  
**Reference:** 75 CARACAS 9546  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 10 APR 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <10 APR 2003 by ShawDG>; APPROVED <17 OCT 2003 by ElyME>  
**Review Markings:**

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
06 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** OPEC PRICE DECISION  
**TAGS:** ENRG, VE  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006